

Country (Insert country of origin of your company / organization or its headquarters' location)

Belgium

Submitting Organization/Company

The Fair Trade Advocacy Office

If Organization or Company, please indicate the approximate number of employees

< 50

Title of the action

Tackling Unfair Trading Practices in the textile sector

Upload your logo or an image



Relevant Website

<https://fairtrade-advocacy.org/our-work/eu-policies/textile2/>

Main Partners

Transform Trade

Type of initiative

Civil Society

Description of action

This action aims to tackle unfair trading practices (UTPs) in the textile sector. Power imbalances in the garment sector often allow retailers and brands to impose UTPs including abusive purchasing conditions upon suppliers (garment manufacturers). Given the highly competitive nature of the sector, and the profitable nature of UTPs, retailers' practices will not improve with voluntary commitments, hence the importance to work for the EU to adopt a legislative approach.

The action includes two main activities: Conducting research on fair and unfair practices by brands in the sector; and advocacy for legislation against UTPs in the textile sector on EU level.

FTAO engages regularly with policy makers at EU level, including Members of the European Parliament, European Commission Officials and the European Economic and Social Committee making the organisation well fitted for this action. Having a trusted relation with them will be key to successfully advocate to tackle UTPs in the garment sector through EU legislation. Indeed, while FTAO is not the only actor who could deliver a sound research on the topic, we consider to be well placed to put that research in the EU's agenda and move towards having a concrete legislative initiative on the table.

Type of action

Transparency

Please select the specific area/s of the action

Norms and standards

Research and Development of Innovative Solutions

Awareness and Education

Scope of the action, including a description of the value chain processes that are covered

Objective (max 200 words): The objectives of the action are: 1. To strengthen and better analyse the available evidence-base of UTPs taking place in the garment sector in garment producing countries in Asia and in European countries such as Italy, Spain, Poland, Hungary, and the UK. 2. To document responsible purchasing practices already put in place by brands and retailers. 3. To develop policy solutions to stop abusive purchasing practices and define how EU legislation could address these practices. 4. That stakeholders are aware of the impacts of UTPs. 5. That EU policy makers commit to put in place legislation to address unfair trading practices in garment supply chains.

Commitments (max 200 words): We commit to publicise a report with hard evidence of prevalence of UTPs in the garment sector and a report providing existing examples of fair purchasing practices in the EU. FTAO will disseminate the reports, policy recommendations and quarterly thematic updates to relevant stakeholders. We also commit to do advocacy towards policy makers on EU level for binding legislation that bans unfair trading practices in the textile and garment sector. To do that we will monitor policy processes and strengthen an existing informal network of NGOs, trade-unions, think tanks, SMEs, private sector initiatives, and researchers who are consulted and actively involved.

Value Chain Scope: This action focus on business-to-business relationships between brands and manufacturers. However, it also has an indirect effect on workers. Unfair trading practices have been seen to be connected to forced overtime, lower wages and increased outsourcing. Fair purchasing practices leave the manufacturers the financial space to pay living wages for workers and ensure living incomes to cotton farmers, as well as improving working conditions and invest in sustainability.

Timeframe and/or milestones for the action

Publication of the research in spring 2023.

Event in the EP in spring 2023 after publication of the research projects.

Continuous advocacy towards the EP and EC, through creation of a group of dedicated MEPs at least until 2024.

Reference instruments and sources used

Policy paper about unfair trading practices in the textile industry: https://news.industrial-europe.eu/documents/upload/2021/9/637684400585561764_210106%20Draft%20Leveraging%20UTP%20transposition_20210927.pdf ILO studies on purchasing practices in the garment sector showing that unfair trading practices are related to labour rights and wages: https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---travail/documents/publication/wcms_556336.pdf and https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---travail/documents/publication/wcms_561141.pdf An evaluation from the European Commission that indicates the textile sector as a risk sector for unfair trading practices: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A52013DC0037>

Expected benefits and impact for the stakeholders involved

Enhanced visibility of compliance with sustainability requirements by industry actors/partners along the entire value chain

Enhanced environmental and socially responsible consumption and production, and circularity of the value chain, that may be relevant to and inspire other countries and industry actors/partners

Improved working conditions for workers along the value chain and, particularly, those who work for “suppliers to suppliers” in parts of the value chain that today are often “hidden”

Improved financial space for suppliers (often SMEs) to invest in more sustainable materials, lower emissions and pay living wages (among other things). And as a consequence, higher potential for improved conditions for small producers, farmers, and other groups including women, home-based and migrant workers who are often strongly negatively affected by unfair practices in this sector.

Stakeholders involved

Business and industry associations

Non-governmental organizations (NGOs)

Policy makers

Key performance indicators for the action

The number of people in the event in the EP

The number of MEPs actively working against UTPs in the textile sector

The number of times that our report is mentioned directly or indirectly in parliamentary activities, and notes of meeting with MEPs and Commission Officials

Good practices

The report on fair purchasing practices will be able to show good practices and working fair and sustainable business models for other companies in the textile sector.

How has this UNECE-UN/CEFACT Call to Action contributed to strategic engagement and/or public awareness in support of your commitment?

The call for action has helped us looking on our work around unfair trading practises from the lens of its contribution to increased transparency in the sector.

Link to relevant goal(s) and specific target(s) of the United Nations

